

001

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL

☐ REENTER

b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator
El Paso Production Oil & Gas Company

4435911 N
625315 E

3A. Address
P.O. Box 1148 Vernal, UT 84078

3b. Phone No. (include area code)
(435) 781-7023

4. Location of Well (Report location clearly and in accordance with any State requirements *)

At surface ~~SE/SE~~ 2280' FNL & 800' FEL
At proposed prod. Zone

CONFIDENTIAL

14. Distance in miles and direction from nearest town or post office*
Refer to Topo A

12. County or Parish
Uintah

13. State
UT

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any)
800'

16. No. of Acres in lease
161.67

17. Spacing Unit dedicated to this well
161.67

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft.
Refer to
Topo C

19. Proposed Depth
7850'

20. BLM/BIA Bond No. on file
BIA #103601473

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4689.8 GL

22. Approximate date work will start*

23. Estimated duration
To Be Determined

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized office.

25. Signature
Cheryl Cameron

Name (Printed/Typed)
Cheryl Cameron

Date
12/12/2001

Title
Regulatory Analyst

Approved by (Signature)
Bradley G. Hill

Federal Approval of this
Action is Necessary

Name (Printed/Typed)
BRADLEY G. HILL
Office RECLAMATION SPECIALIST III

Date
07-02-02

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

RECEIVED

DEC 14 2001

DIVISION OF
OIL, GAS AND MINING

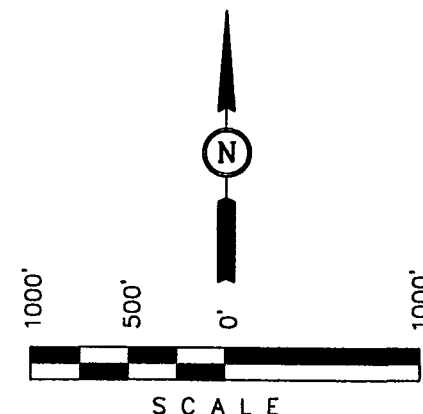
T9S, R21E, S.L.B.&M.

COASTAL OIL & GAS CORP.

Well location, OURAY #3-75, located as shown in the SE 1/4 NE 1/4 of Section 3, T9S, R21E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHEAST CORNER OF SECTION 3, T9S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4853 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

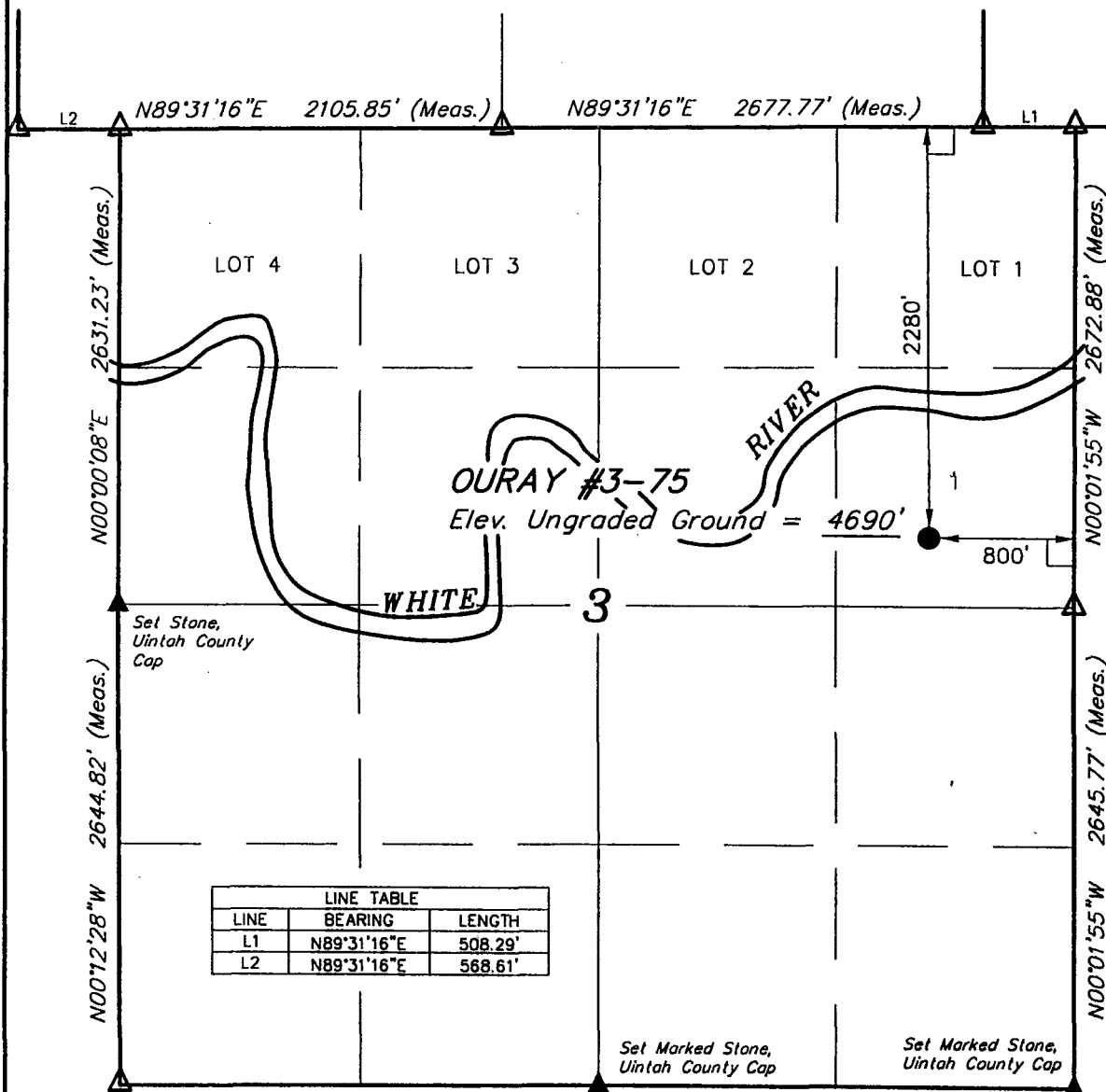
SCALE 1" = 1000'	DATE SURVEYED: 09-11-00	DATE DRAWN: 09-12-00
PARTY D.K. B.P. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE COASTAL OIL & GAS CORP.	

LINE TABLE		
LINE	BEARING	LENGTH
L1	N89°31'16"E	508.29'
L2	N89°31'16"E	568.61'

LEGEND: N89°50'53"E 2639.63' (Meas.) S89°53'E - G.L.O. (Basis of Bearings)
2645.58' - (Measured)

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED. (Not Set)

LATITUDE = 40°03'58"
LONGITUDE = 109°31'51"



COASTAL OIL & GAS CORP.

OURAY #3-75

LOCATED IN UTAH COUNTY, UTAH

SECTION 3, T9S, R21E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #7 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY

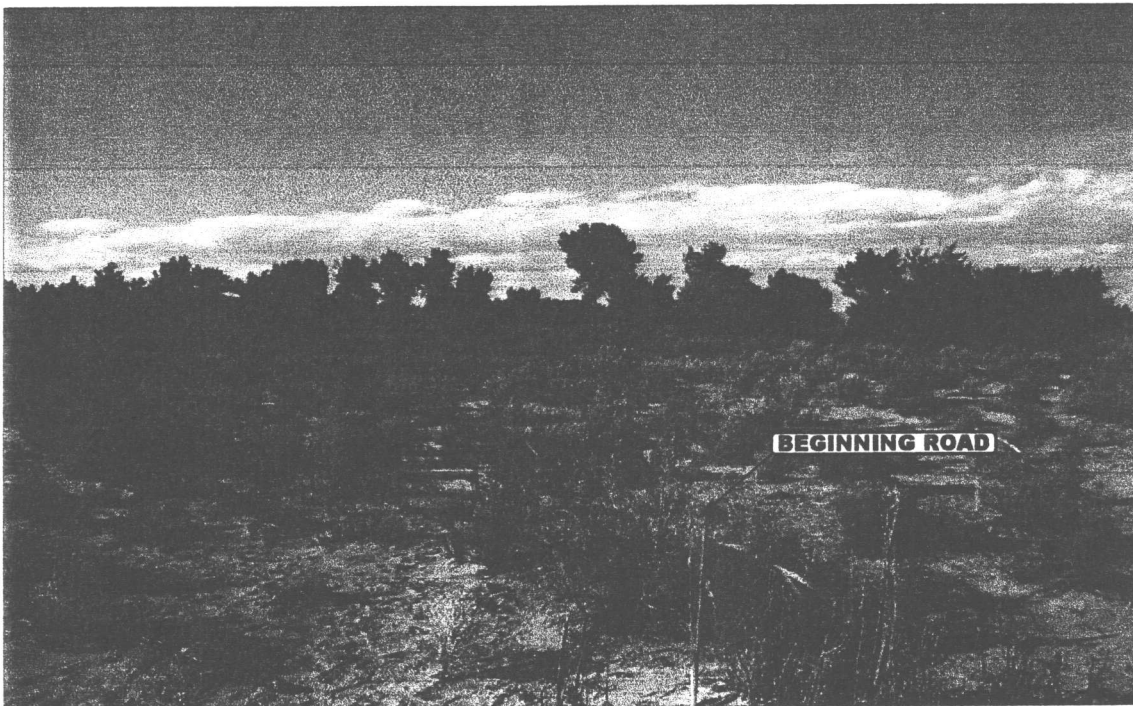


PHOTO: VIEW FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

9 13 00
MONTH DAY YEAR

PHOTO

TAKEN BY: D.K. DRAWN BY: J.L.G. REVISED: 00-00-00

COASTAL OIL & GAS CORP.

OURAY #3-75

SECTION 3, T9S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 3.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 2.0 MILES THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY, THEN NORTHEASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 6.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN A EASTERLY, THEN NORTHEASTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 1.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY, THEN SOUTHWESTERLY, THEN NORTHWESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 1.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY, THEN SOUTHWESTERLY, THEN NORTHWESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL UTAH IS APPROXIMATELY 48.0 MILES.

Ouray #3-75
SE/NE Sec. 3, T9S, R21E
LEASE NUMBER: 14-20-H62-3018

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
KB	4705'
Green River	2021'
Wasatch	5330'
Total Depth	7850'

2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	2021'
Gas	Wasatch	5330'
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment: (Schematic Attached)

The BOP stack will consist of one 11" 3,000 psi annular BOP 11" 3,000 psi double ram, and one 11' drilling spool. The lower ram will contain pipe rams, and the upper ram will contain blind rams.

The choke and kill lines and the choke manifold will have a 3,000 psi minimum pressure.

The BOPE and related equipment will meet the requirements of the 3M system.

4. Proposed Casing & Cementing Program:

Refer to the attached casing & cementing program.

5. Drilling Fluids Program:

Refer to the attached mud program.

6. Evaluation Program

Refer to the attached Geological Data.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated @ 7850' TD, approximately equals 3,140 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1,413 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

**Ouray #3-75
SE/NE Sec. 3, T9S, R21E
UINTAH COUNTY, UTAH
LEASE NUMBER: 14-20-H62-3018**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was originally conducted for the proposed location on 12/8/98. A second onsite inspection was conducted on 9/19/00 that included the USF&WLS (U.S. Fish & Wildlife Service). It was determined that the proposed access road and pipeline ROW fell within the "Flood Plain Area" and operations are to be conducted as stated in the *Final Ouray Environmental Assessment*.

1. Existing Roads:

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads:

Refer to Topo Map B for the location of the proposed access road. *A qualified Paleontologist shall monitor the construction of the access road, as discussed during the onsite inspection.*

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion; culverts are to be installed as needed to improve natural water drainage.

The access road was centerline flagged during time of staking.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. Location of Existing Wells Within a 1-Mile Radius

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities

The following guidelines will apply if the well is productive.

Production facilities will consist of a conventional wellhead and allocation gas metering. The wellhead controls will be elevated to allow for a continuous production during seasonal high water conditions, as stated in the *Final Ouray Environmental Assessment 2.1.3, Production Operations*.

All permanent (on-site six months or longer) above the ground structures constructed or Installed will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Desert Brown, Munsell standard color number 10 YR 6/3.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Refer to Topo Map D for the placement of the pipeline lateral.

5. Location and Type of Water Supply:

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. Source of Construction Materials

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

Construction will not occur during the period of April 1 – July 15, unless it is determined by the USF&WLS and the Bureau of Reclamation that the flooding forecast evaluation has changed for the current year; as stated in the Final Formal Sec. 7 Consultation, page 37 , Item #8.

7. Methods of Handling Waste Materials

Drill cuttings will be removed from the *Closed-Loop Circulating System* and transported by truck to an approved disposal site outside of the floodplain area. Please refer to "Typical Rig Layout" and the "Typical Solids Control System" attachments.

Drilling fluids, including salts and chemicals, will be contained in the *Closed-Loop System*. Upon termination of drilling and completion operations, the liquid contents will be removed and disposed of at an approved waste disposal facility after drilling is terminated.

The *Closed-Loop System* will be utilized and set-up in the area normally utilized for a reserve pit. Refer to the Location Layout.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

8. **Ancillary Facilities**

None are anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The location is at least 460' away from the river, thus meeting the requirements set forth by the USF&WLS. Please refer to the attached "Typical Rig Layout".

No reserve pit shall be utilized, as discussed during the on-site inspection.

Culverts are to be installed where needed.

A 2 foot high berm shall be constructed around the location. Irrigation ditches shall be re-routed during the drilling/production program.

10. **Plans for Reclamation of the Surface:**

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

RAPTOR – Construction and drilling will be allowed only from August 1 – February 1.

11. Surface Ownership:

Ute Indian Tribe
P.O. Box 190
Ft. Duchesne, UT 84026
(435) 722-5141

12. Other Information:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey has been conducted. A copy of the survey report was submitted to the Ute Tribe Energy & Minerals Department prior to the onsite.

13. Lessee's or Operator's Representative & Certification:

Cheryl Cameron
Senior Regulatory Analyst
El Paso Production Oil & Gas Company
P.O. Box 1148
Vernal, UT 84078
(435) 781-7023

Scott Palmer
Drilling Manager
El Paso Production Oil & Gas Company
9 Greenway Plaza
Houston, TX 77046
(713) 420-4850

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

El Paso Production Oil & Gas Company is considered to be the operator of the subject well. El Paso Production Oil & Gas Company agrees to be responsible under the terms and conditions of the lease for the operations conducted upon leased lands. Bond coverage pursuant to 43 CFR 3104 for the lease activities is being provided by Bureau of Indian Affairs Bond #103601473.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.


Cheryl Cameron

12/12/01
Date

COMPANY NAME	El Paso Production Oil & Gas Company	DATE	12/12/01
WELL NAME	Oluray #3-75	TD	7,850' MD/TVD
FIELD	Ouray	COUNTY	Uintah
		STATE	Utah
		ELEVATION	KB
SURFACE LOCATION	SE/SE 2280' FNL & 8000' FEL Sec. 3, T9S, R21E	BHL	Straight Hole
OBJECTIVE ZONE(S)	Wasatch		
ADDITIONAL INFO			

[illegible]

El Paso Production Oil & Gas Company

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2950	1370	263000
SURFACE	8-5/8"	0-450'	24#	K-55	STC	11.69	6.51	4.33
						5350	4960	180000
PRODUCTION*	4-1/2"	0-TD	11.6#	K-55	LTC	#VALUE!	#VALUE!	#VALUE!

- 1) Maximum Anticipated Surface Pressure (MASP) (Conductor and Surface Casings) = (Frac Gradient at Shoe - Gas Gradient (0.115 psi/ft))(TVD)
- 2) MASP (Int Casing) = Pore Pressure at Next Casing Point - (Gas Gradient x TVD of Next Casing Point x 0.67) - (Mud Weight x TVD x 0.052 x 0.33)
- 3) MASP (Prod Casing) = Pore Pressure - (Gas Gradient x TVD of Production Interval)
- (Burst Assumptions: FG @ 8-5/8" shoe = 13.0 ppg, Max Pore Pressure = 9.0 ppg EMW)
- (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing, 50,000 lbs overpull)

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS*	WEIGHT	YIELD
SURFACE		450	Class G + 2% CaCl ₂ + 0.25 lb/sk Cello Flake	230	35%	15.80	1.17
PRODUCTION	LEAD	5700'	Premium Lite II + 3 lb/sk CSE + 0.5% Sodium Metasilicate + 10% Gel + 0.25 lb/sk Cello Flake + 3% Salt + 3 lb/sk Kol Seal	740	100%	11.00	3.44
	TAIL	2100'	50/50 POZ + 0.1% R-3 + 1% EC-1 + 0.2% Sodium Metasilicate + 2% Gel + 0.5% FL-25 + 3% Salt	690	75%	14.5	1.23

* or 15% over caliper log

FLOAT EQUIPMENT & CENTRALIZERS

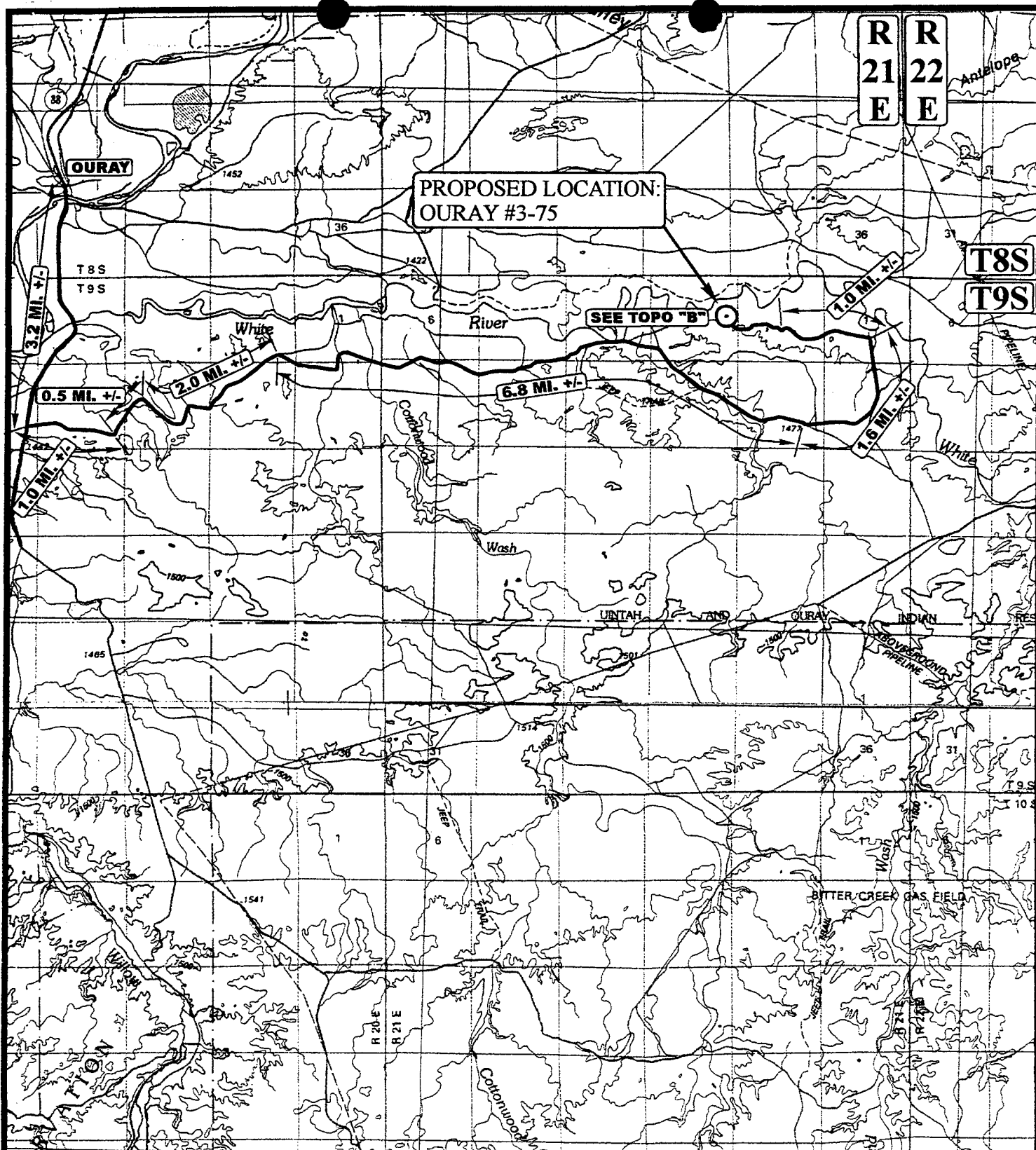
SURFACE	Guide shoe, 1 jt, float collar. Centralize first 3 joints & every other joint to surface with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Guide shoe, 1 jt, float collar. Centralize first 3 joints & every other joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 3M with one annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Run Totco surveys every 1500'. Maximum allowable hole angle is 5 degrees.



LEGEND:

○ PROPOSED LOCATION

N

COASTAL OIL & GAS CORP.

OURAY #3-75

SECTION 3, T9S, R21E, S.L.B.&M.

2280' FNL 800' FEL



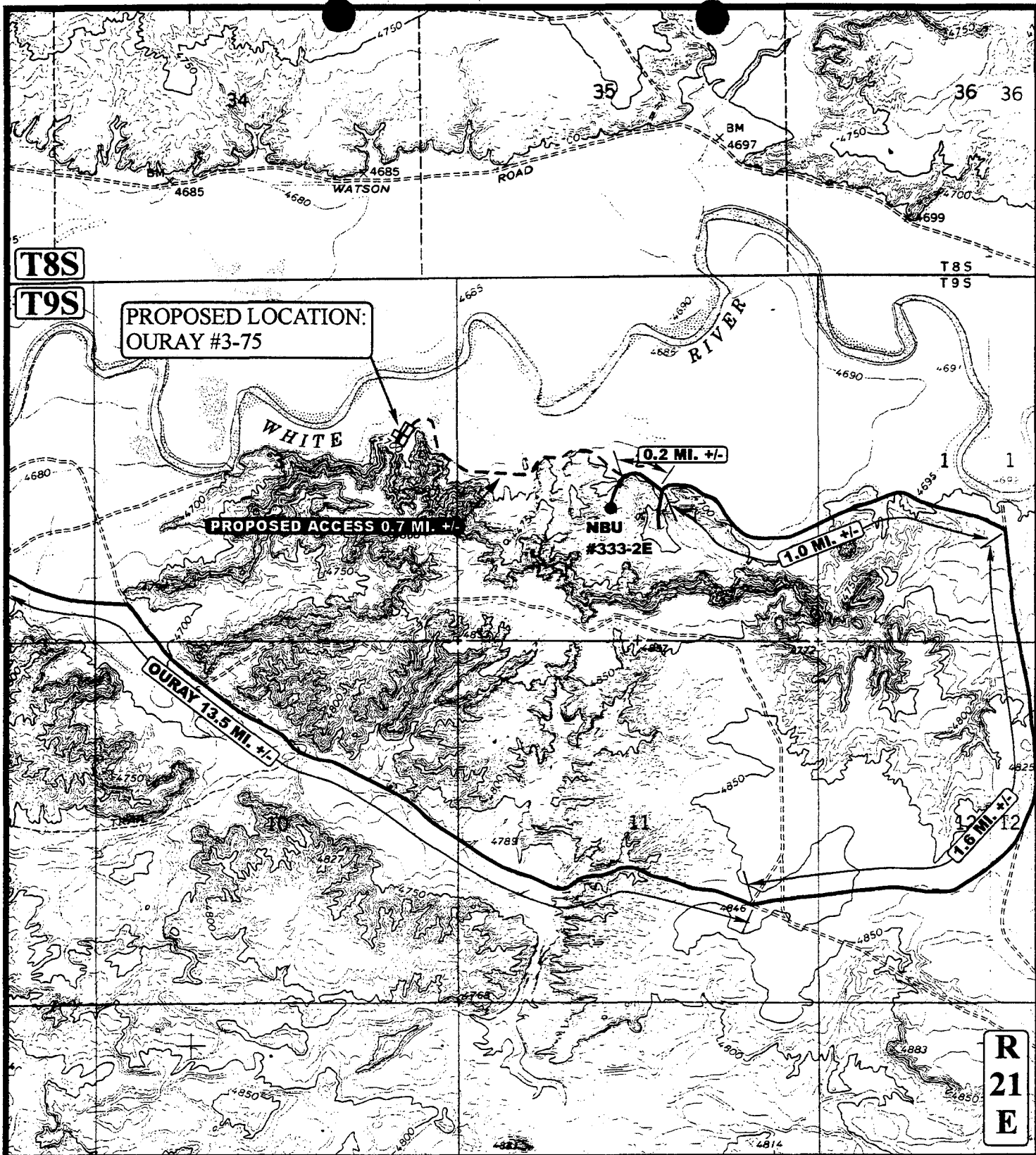
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

10 1999
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: J.L.G. REVISED: 9-13-00





LEGEND:

----- PROPOSED ACCESS ROAD
 _____ EXISTING ROAD

COASTAL OIL & GAS CORP.

OURAY #3-75

SECTION 3, T9S, R21E, S.L.B.&M.

2280' FNL 800' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC
 MAP

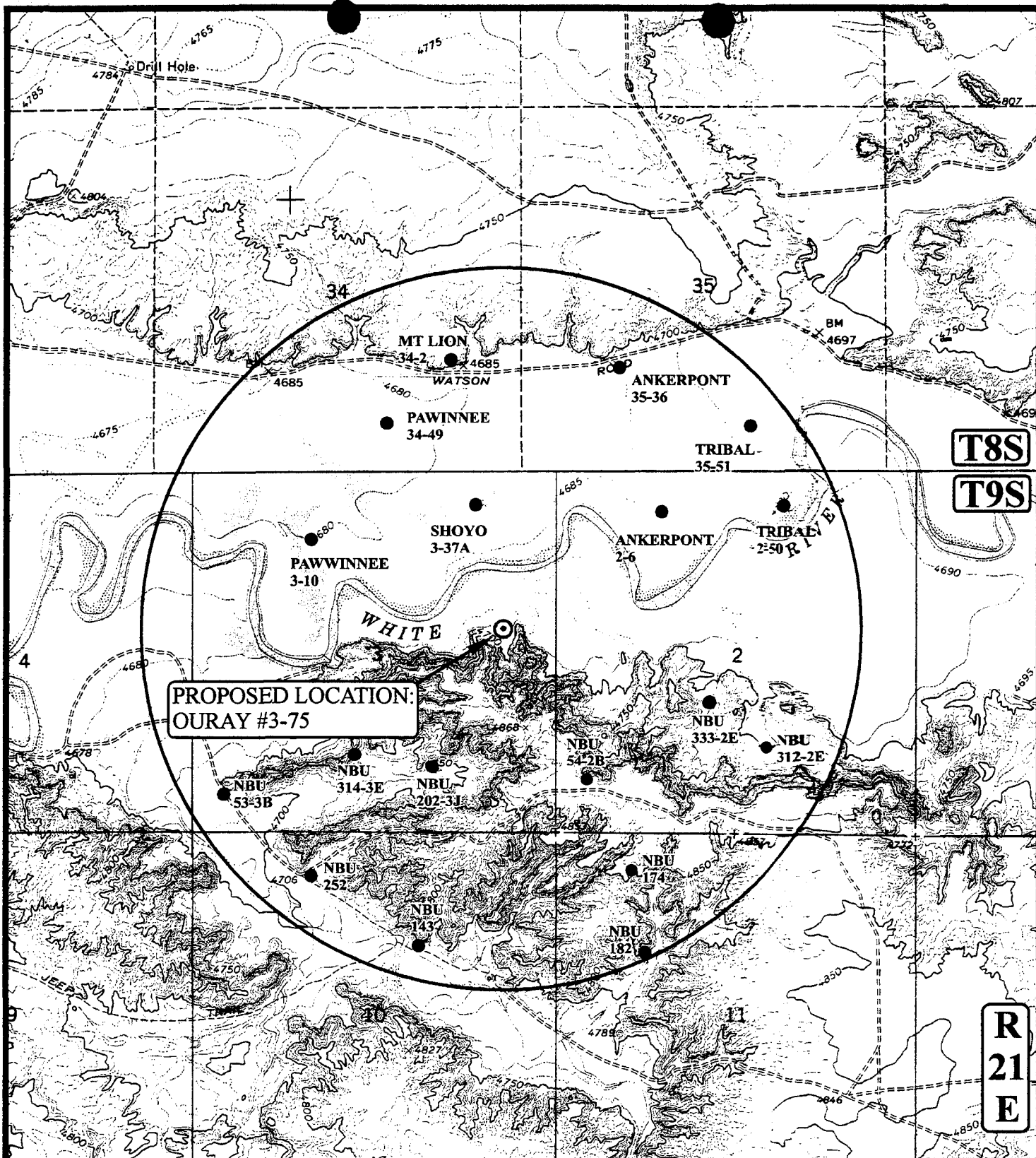
10 19 99
 MONTH DAY YEAR

SCALE: 1" = 2000'

DRAWN BY: J.L.G.

REVISED: 9-13-00

B
 TOPO



PROPOSED LOCATION:
OURAY #3-75

LEGEND:

- ⊗ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ⊗ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

COASTAL OIL & GAS CORP.

OURAY #3-75
SECTION 3, T9S, R21E, S.L.B.&M.
2280' FNL 800' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

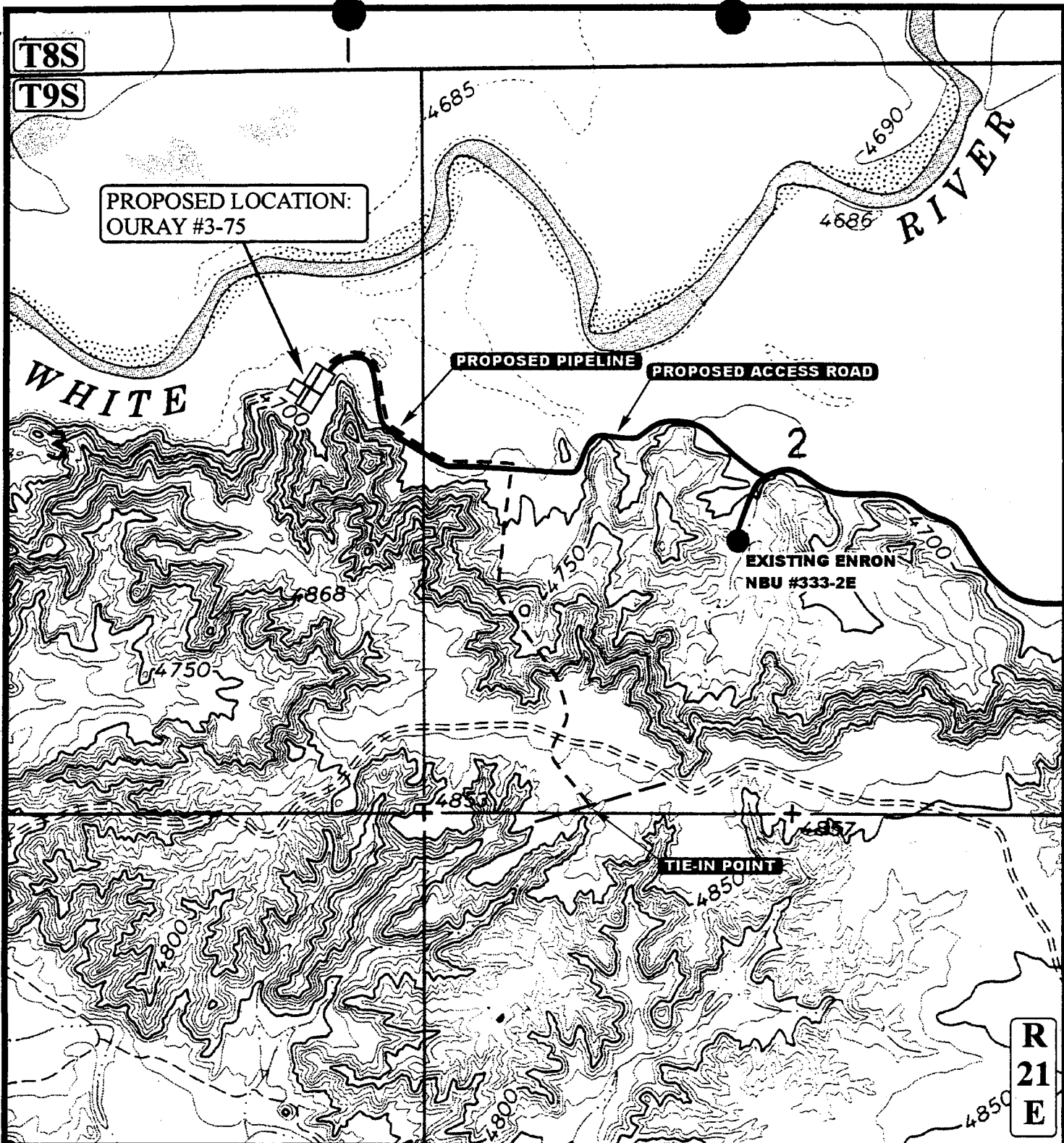


TOPOGRAPHIC
MAP

1 6 99
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: JLG. REVISED: 9-13-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 4225' +/-

LEGEND:

- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE
- PROPOSED ACCESS

COASTAL OIL & GAS CORP.

OURAY #3-75

SECTION 3, T9S, R21E, S.L.B.&M.

2280' FNL 800' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC
MAP

11 **24** **98**
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: D.COX REV: 9-13-00 J.L.G.

D
TOPO

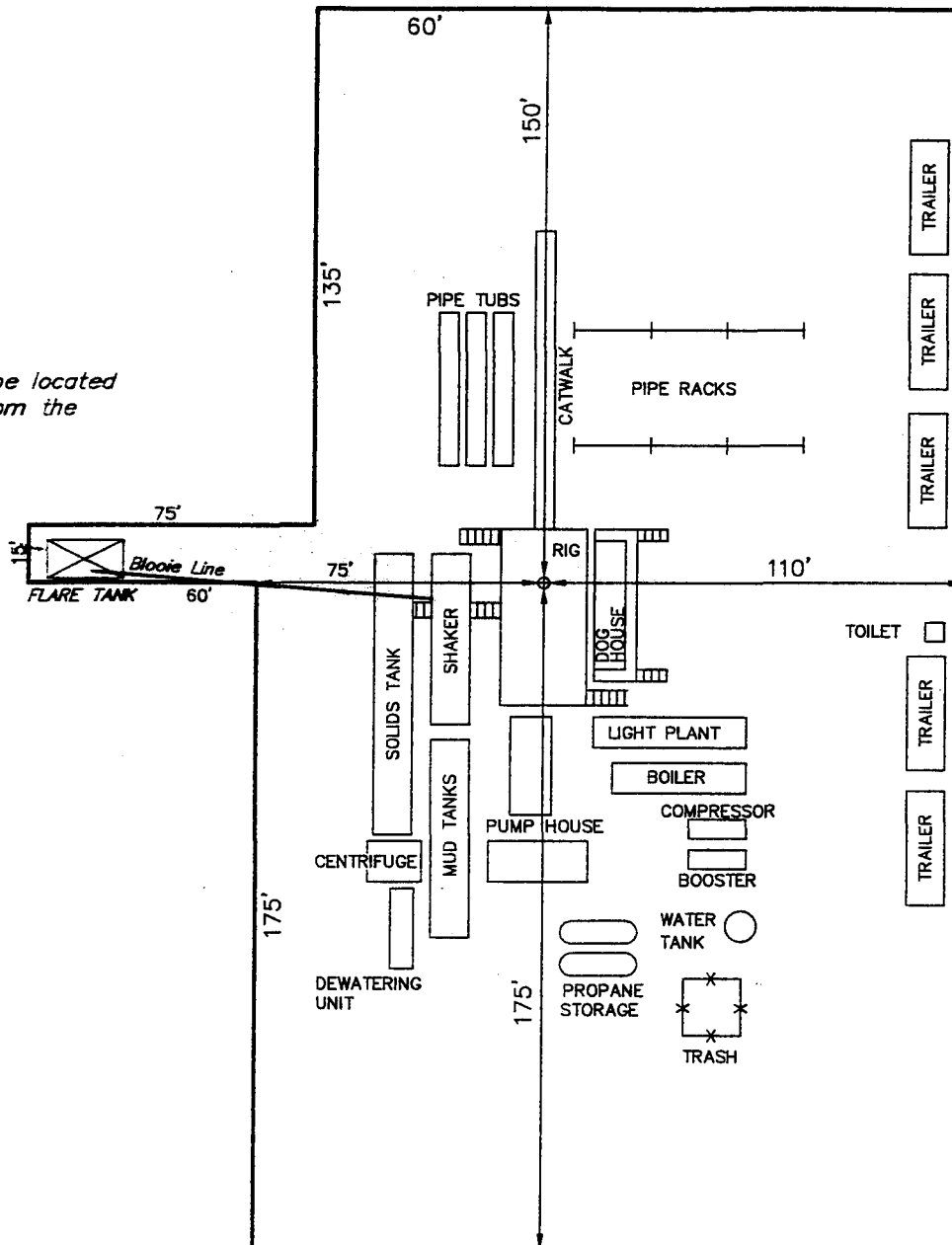
COASTAL OIL & GAS CORP.

TYPICAL RIG LAYOUT FOR CLOSED LOOP SYSTEM FLOOD PLAIN

SCALE: 1" = 50'
DATE: 12-6-00
Drawn By: C.G.

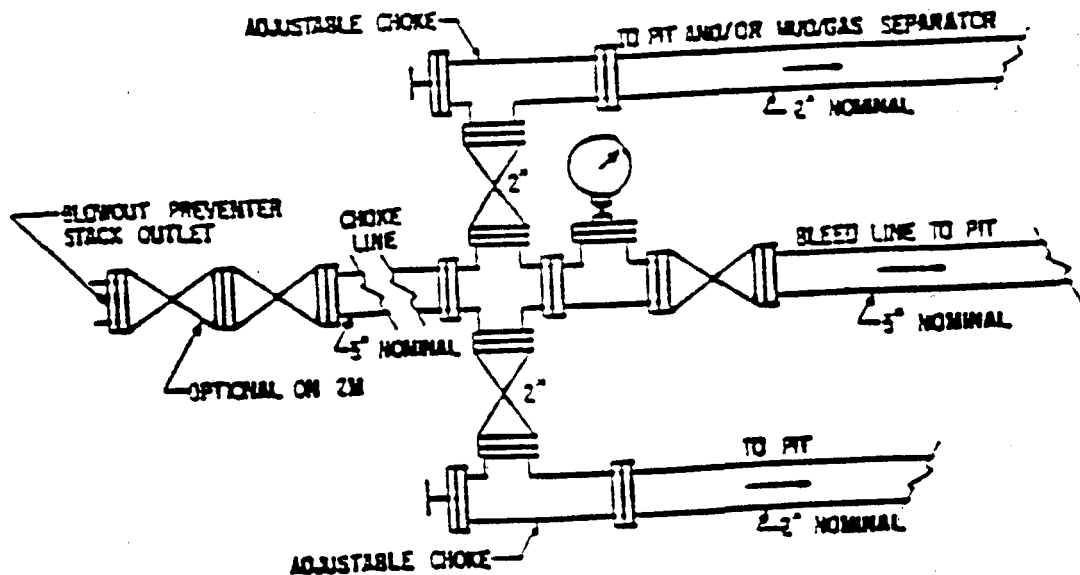
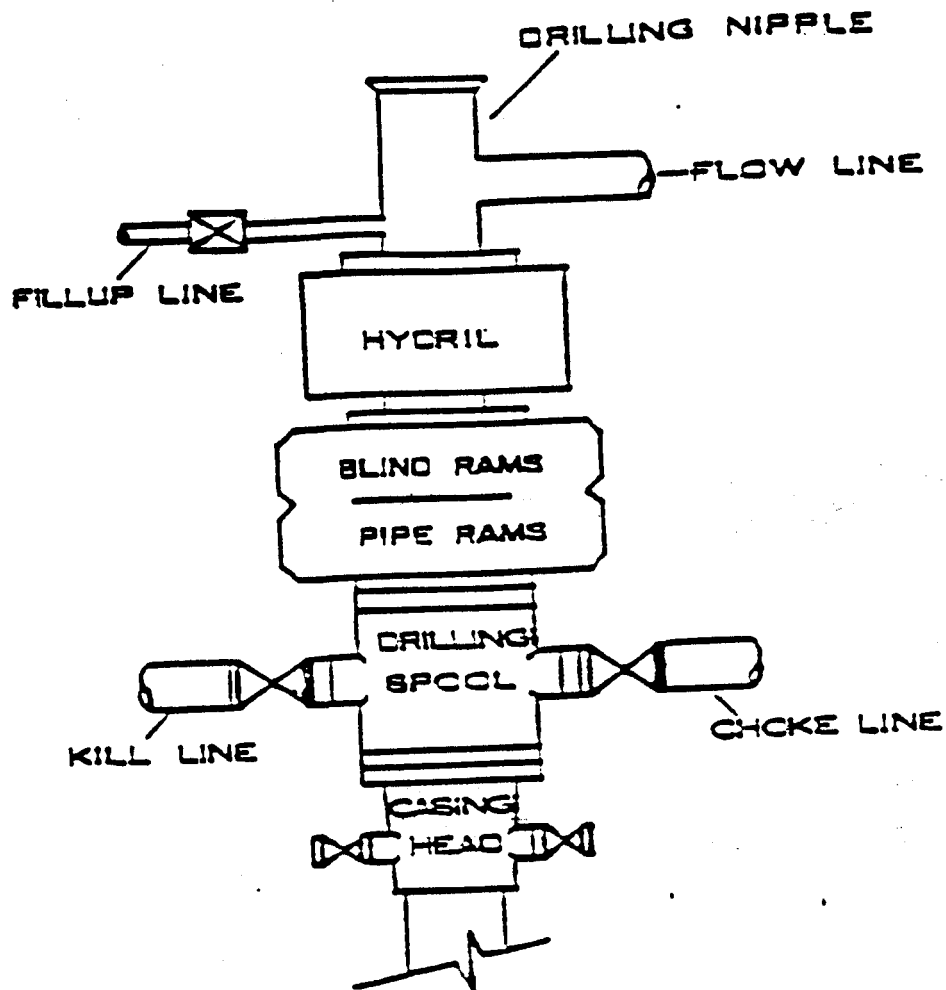
NOTE:

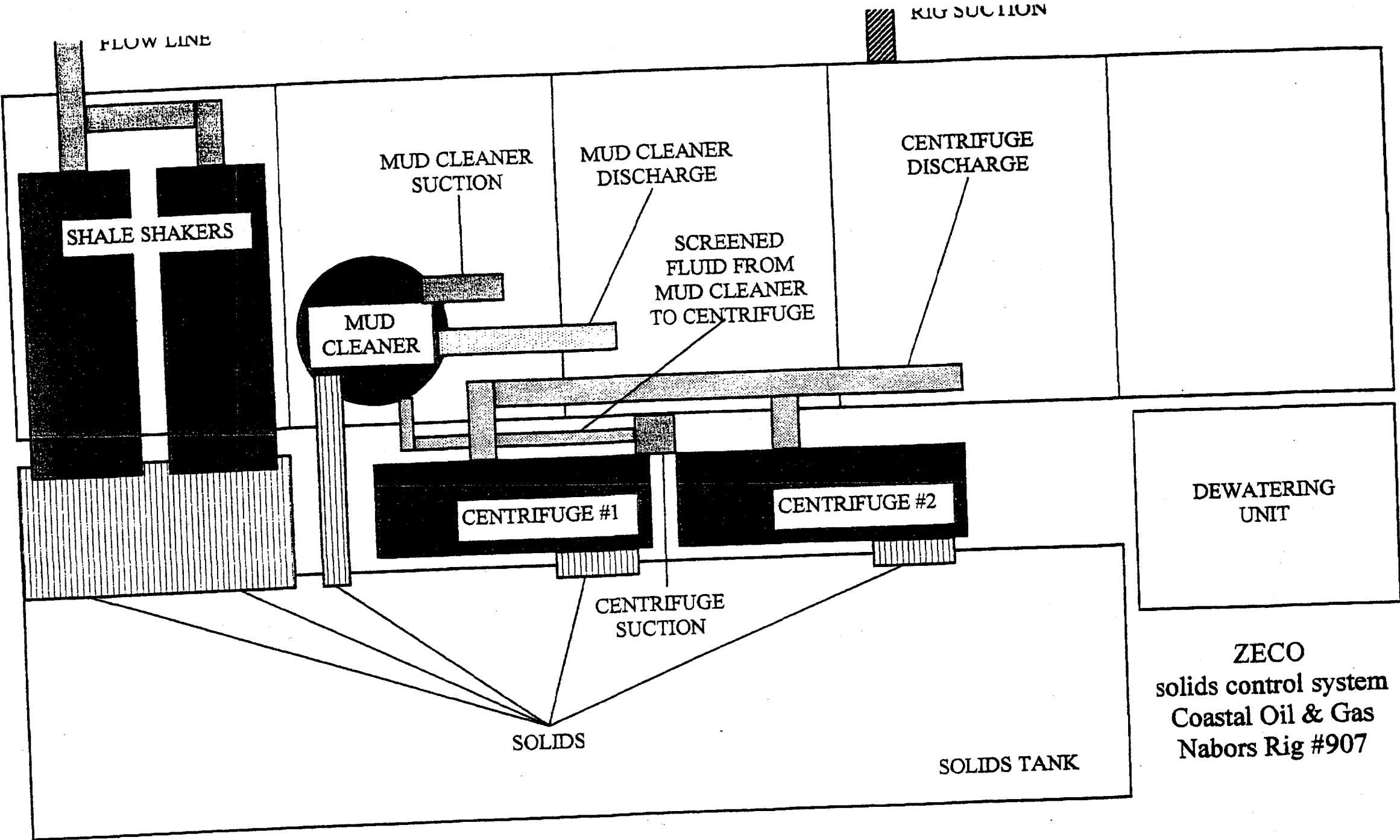
Flare Tank is to be located
a min. of 100' from the
Well Head.



3,000 PSI

BOF STACK





ZECO
solids control system
Coastal Oil & Gas
Nabors Rig #907

003

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 12/14/2001

API NO. ASSIGNED: 43-047-34424

WELL NAME: OURAY 3-75

OPERATOR: EL PASO PROD OIL & GAS (N1845)

CONTACT: CHERYL CAMERON

PHONE NUMBER: 435-781-7023

PROPOSED LOCATION:

SENE 03 090S 210E

SURFACE: 2280 FNL 0800 FEL

BOTTOM: 2280 FNL 0800 FEL

UINTAH

NATURAL BUTTES (630)

LEASE TYPE: 2 - Indian

LEASE NUMBER: 14-20-H62-3018

SURFACE OWNER: 2 - Indian

PROPOSED FORMATION: WSTC

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[] Ind[2] Sta[] Fee[]
(No. 103601473)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 43-8496)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

___ R649-2-3. Unit ___
___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
☒ R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 173-13 (8/3207)
Eff Date: 3-24-99
Siting: 460' Fr. Del. Unit Boundary E. 920' between wells.
___ R649-3-11. Directional Drill

COMMENTS:

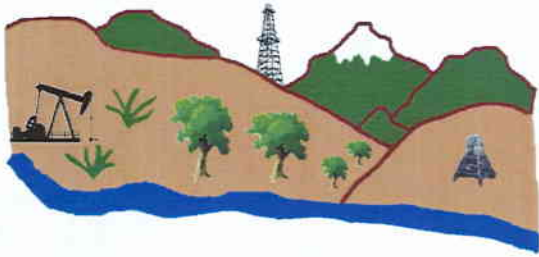
Need "Ex. Loc" info. (Rec'd 6-27-02)

STIPULATIONS:

1- Oil shale

2- Ex. Loc.

3- FED. APPROVAL



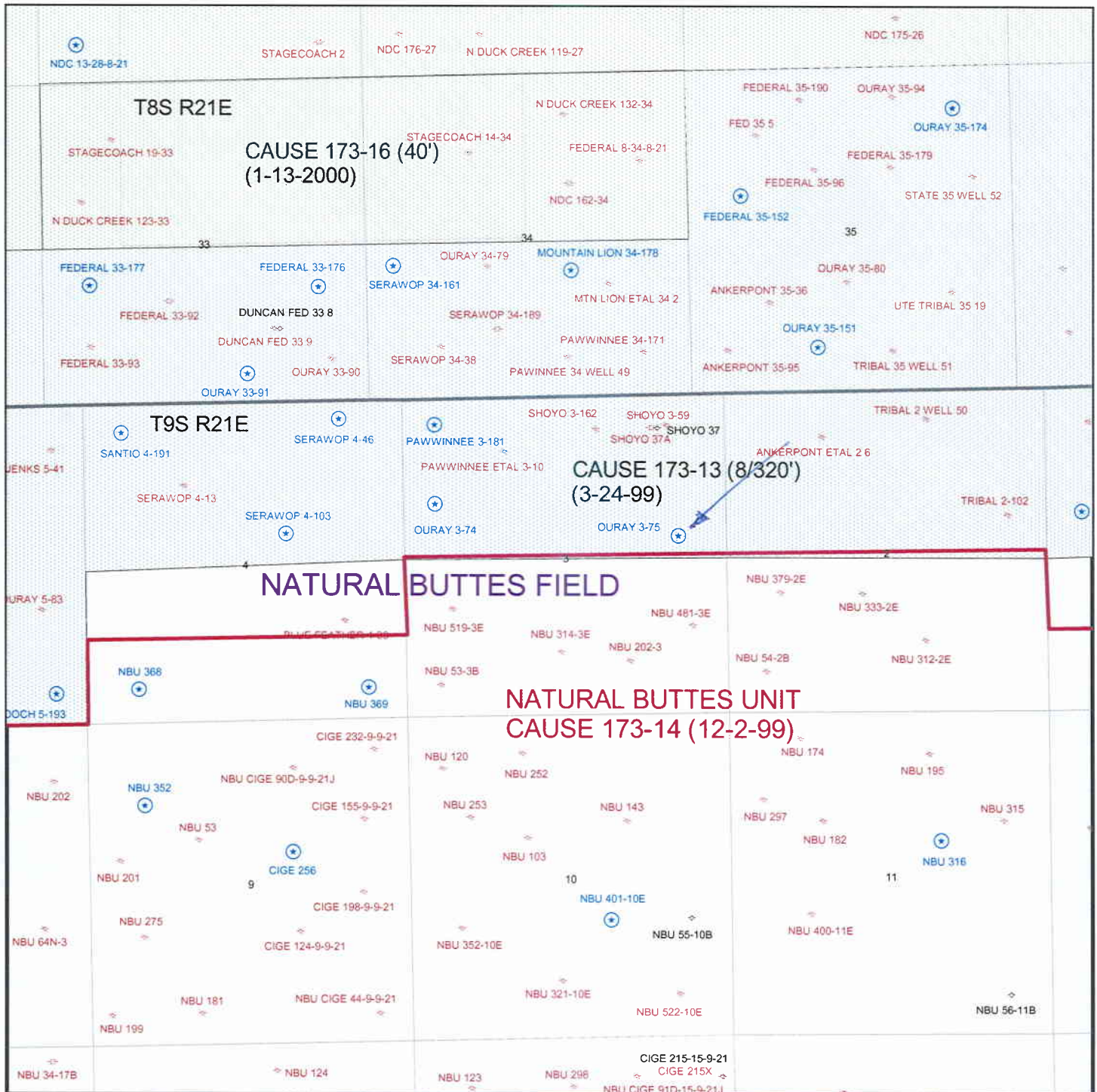
Utah Oil Gas and Mining

OPERATOR: EL PASO PROD O&G CO (N1845)

SEC. 3, T9S, R21E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH CAUSE NO: 173-13 (8/320')



JAN. 17. 2003 3:34PM

WESTPORT

NO. 173

P. 2



WESTPORT OIL AND GAS COMPANY, L.P.

410 Seventeenth Street #2300 Denver Colorado 80202-4436
Telephone: 303 573 5404 Fax: 303 573 5609

February 1, 2002

Department of the Interior
Bureau of Land Management
2850 Youngfield Street
Lakewood, CO 80215-7093
Attention: Ms. Martha Maxwell

RE: BLM Bond CO-1203
BLM Nationwide Bond 158626364
Surety - Continental Casualty Company
Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Conversion of Westport Oil and Gas Company, Inc., into Westport Oil and Gas Company, L.P.
Assumption Rider - Westport Oil and Gas Company, L.P.

Dear Ms. Maxwell:

Pursuant to our recent conversations, please find the following list of enclosures for the BLM's consideration and approval:

Two (2) Assumption Riders, fully executed originals.
Copies of Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Copies of Westport Oil and Gas Company, Inc., conversion into Westport Oil and Gas Company, L.P.
List of all Federal/BIA/State Leases - Belco/Westport's leases - in all states.

Please inform us of any additional information needed to complete the change to Westport Oil and Gas Company, L.P., as operator of record.

I thank you for your assistance and cooperation in this matter. Please do not hesitate contacting the undersigned, should a question arise.

Sincerely,
Westport Oil and Gas Company, L.P.

Debby J. Black
Debby J. Black
Engineer Technician

Encl:



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

FEB 22 2002

DIVISION OF
OIL, GAS AND MINING

In Reply Refer To:

3106

UTU-25566 et al

(UT-924)

FEB 21 2002

NOTICE

Westport Oil and Gas Company L.P. : Oil and Gas
410 Seventeenth Street, #2300 :
Denver Colorado 80215-7093 :

Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Westport Oil and Gas Company, Inc. into Westport Oil and Gas Company, L.P. with Westport Oil and Gas Company, L.P. being the surviving entity.

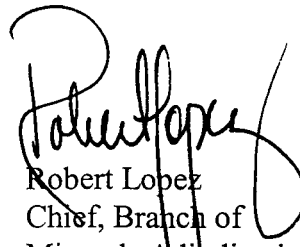
For our purposes, the name change is recognized effective December 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Westport Oil and Gas Company, Inc. to Westport Oil and Gas Company, L.P.. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Colorado.

UTU-03405
UTU-20895
UTU-25566
UTU-43156
UTU-49518
UTU-49519
UTU-49522
UTU-49523



Robert Lopez
Chief, Branch of
Minerals Adjudication

cc: Moab Field Office
Vernal Field Office
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114
Teresa Thompson (UT-922)
Joe Incardine (UT-921)

EL PASO PRODUCTION COMPANY

1368 S. 1200 E., PO Box 1148

VERNAL, UT 84078

PHONE: 435-789-4433 FAX: 435-789-4436, 435-781-7095



Fax Transmittal

To:	DIANA MASON	FAX:	(801) 359-3940
COMPANY:	DOGM	DATE:	6/27/02
FROM:	Cheryl Cameron	PHONE:	(435) 781-7023
RE:	Quay 3-15	PAGES:	6 incl cover

☐ Urgent ☐ For Review ☐ Please Comment ☒ Please Reply ☐ Please Recycle

Comments:

I believe that these documents are the only documents holding up the ARD Approval.
Please notify me if more information is necessary.

Thanks.
cc

002



May 10, 2002

Ms. Joanna Simco
Posse Petroleum LTD
1221 McKinney St., Suite 3700
Houston, Texas 77002

VIA FEDERAL EXPRESS

RE: Proposed Ouray 3-75 well
SENE Section 3, T9S-R21E
Uintah County, Utah

Dear Ms. Simco:

Coastal Oil & Gas Resources, Inc., has proposed testing the Wasatch and Mesaverde formations in the SENE of Section 3, Township 9 South, Range 21 East, Uintah County, Utah. El Paso Production Oil & Gas Company ("El Paso"), operator for Coastal Oil & Gas Resources, Inc., has applied for a permit to drill the Ouray 3-75 well on this 40-acre tract.

The White River runs through the center of said Section 3. Because of the environmental restrictions associated with drilling in the White River floodplain, the only acceptable location for the Ouray 3-75 well is 2,280' from the north line and 800' from the east line of said Section 3.

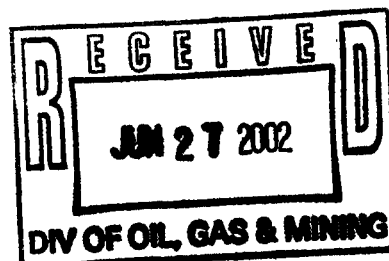
Spacing Order 173-13 sets the N/2 of said Section 3 as the 320-acre drilling and spacing unit and requires that wells be located at least 460 feet from the boundary of the unit. This location is 392.88 feet from the south boundary of the unit. Enclosed is a plat that shows the well's location in Section 3. In order to permit this well as an exception location all owners in the offsetting drilling and spacing units must approve its location.

Posse Petroleum LTD ("Posse") owns oil and gas leasehold interests in the S/2 of said Section 3. El Paso requests that Posse approve of the Ouray 3-75 well being drilled at the stated location. If you approve of such location, please sign and return a copy of this letter to the undersigned. Thank you for your consideration of this matter.

Very truly yours,



Elizabeth R. Williams
Consultant

Cc: Cheryl Cameron
Henry Hansen



Posse Petroleum LTD approves of the Ouray 3-75 well being drilled at a location 2,280' from the north line and 800' from the east line of Section 3, Township 9 South, Range 21 East, Uintah County, Utah.

Posse Petroleum LTD

By: 
Title: _____
Date: 5/21/02 _____
Gregory A. Mitschke
Vice President
El Paso Production
Nine Greenway Plaza Houston, Texas 77046
Tel: 832.676.2600
Posse Energy, LLC

005

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

DEC 12 2001

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

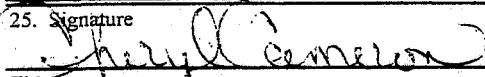
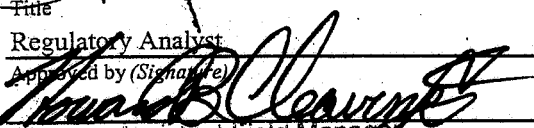
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. 14-20-H62-3018
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name UTE
2. Name of Operator El Paso Production Oil & Gas Company		7. If Unit or CA Agreement, Name and No. CA-9C-186
3A. Address P.O. Box 1148 Vernal, UT 84078		8. Lease Name and Well No. OURAY #3-75
3b. Phone No. (include area code) (435) 781-7023		9. API Well No. 43-047-33279 34424
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SE/NE 2280' FNL & 800' FEL At proposed prod. Zone		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* Refer to Topo A		11. Sec., T., R., M., or Blk. and Survey or Area SEC. 3, T9S, R21E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 800'	16. No. of Acres in lease 161.67	17. Spacing Unit dedicated to this well 161.67
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Refer to Topo C	19. Proposed Depth 7850'	20. BLM/BIA Bond No. on file BIA #103601473
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4689.8 GL	22. Approximate date work will start*	23. Estimated duration To Be Determined

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office. | 6. Such other site specific information and/or plans as may be required by the authorized office. |

25. Signature 	Name (Printed/Typed) Cheryl Cameron	Date 12/12/2001
Title Regulatory Analyst		
Approved by (Signature) 	Name (Printed/Typed)	Date 06/28/2002
Title Assistant Field Manager	Office Mineral Resources	

NOTICE OF APPROVAL

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

RECEIVED

JUL 01 2002

DIVISION OF
OIL, GAS, AND MINING

Doam

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: El Paso Production O & G Co.

Well Name & Number: OURAY 3-75

API Number: 43-047-34424

Lease Number: 14-20-H62-3018

Location: SENE Sec. 03 T. 09S R. 21E

Agreement: C.A. 9C-186

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease that would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

DRILLING PROGRAM

Casing Program and Auxiliary Equipment

As a minimum, the usable water and other mineral resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Green River Formation, identified at $\pm 1,925$ ft.

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

El Paso Production Oil & Gas Company (El Paso) will assure the Ute Tribe that any/all contractors and subcontractors have acquired a current Tribal Business License and have updated "Access Permits" prior to construction. All El Paso personnel, contractors and subcontractors will have these permits in their vehicles at all times. Companies that have not complied with this COA will be in violation of the Ute Tribal Business License Ordinance, and will be subject to fines and penalties.

El Paso employees, representatives, and/or authorized personnel (subcontractors) shall not carry firearms on their person or in their vehicles while working on the Uintah & Ouray Indian Reservation.

El Paso employees and/or authorized personnel (subcontractors) in the field will have approved applicable APDs and/or ROW permits/authorizations on their person(s) during all phases of construction.

El Paso will notify the Ute Tribe and Bureau of Indian Affairs (BIA) in writing of any requested modification of APDs or Rights-Of-Way (ROW). El Paso shall receive written notification of authorization or denial of the requested modification. Without authorization, El Paso will be subject to fines and penalties.

The Ute Tribe Energy & Minerals Department shall be notified in writing 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday. A Tribal Technician is to routinely monitor construction. El Paso shall make arrangements with the Ute Energy & Minerals Department for all monitoring that will exceed regular working hours for Tribal Technicians. A qualified Archaeologist accompanied by a Tribal Technician will monitor any trenching required for the construction of the pipeline. El Paso is to inform contractors to maintain construction of the pipelines within approved 60 foot ROW.

El Paso shall adhere to the drilling window of August 31 to January 1 imposed by the BIA for the protection of the eagle and its nest which is within .25 mile from the location. (The APD states August 1 through February 1.) Also, monitoring representatives from the Ute Tribe, Buys & Associates, and the US Fish & Wildlife Service shall be present during construction. For any trees destroyed by the construction of the project pad or in the ROW corridor, replacement trees will be planted in a 4 to 1 ratio at places agreed upon with the BIA, the Ute Tribal Energy & Minerals Department and the US Fish & Wildlife Service.

A corridor ROW, 60 feet wide and 4223 feet long, shall be granted for the pipeline and a corridor ROW, 30 feet wide and 4376 feet long back to the existing road for the NBU 333-2E well, shall be granted for the access road. The constructed travel width of the access road will be limited to 18 feet. Upon authorization by the Ute Tribe Energy & Minerals Department, the road ROW may be wider where sharp curves, deep cuts and fills occur; or, where intersections with other roads are required. Upon completion of each pipeline in the corridor an adequate description of the pipeline will be filed with the Ute Tribe Energy & Minerals Department.

Upon completion of the pertinent APD and ROWs, El Paso will notify the Ute Tribe Energy & Minerals Department for a Tribal Technician to verify the Affidavit of Completion.

Production waters, oil, and other byproducts shall not be placed on access roads or the well pad.

At any locations where the produced water is hauled for drilling purposes, the reserve pits must have adequate liners or clay soils and the produced water may not be injected down the annulus of a well location after drilling has been completed.

All vehicular traffic, personnel movement, construction and restoration operations will be confined to the areas examined and approved and to the existing roadways and/or evaluated access routes.

El Paso will implement "Safety and Emergency Plan" and ensure plan compliance.

El Paso shall stop construction activities and notify personnel from the Ute Tribe Energy & Minerals Department and BIA if cultural remains including paleontologic resources (vertebrate fossils) are exposed or identified during construction. The Ute Tribe Department of Cultural Rights and Protection and the BIA will provide mitigation measures prior to allowing construction.

El Paso employees and/or authorized personnel (subcontractors) will not be allowed to collect artifacts and paleontologic fossils. No significant cultural resources shall be disturbed.

El Paso will control noxious weeds on the well site and ROWs. El Paso will be responsible for noxious weed control if weeds spread from the project area onto adjoining land.

A closed loop drilling system will be used as described in the APD.

A closed system will be used during production. This means that production fluids will be contained in leak-proof tanks. All production fluids will be disposed of at approved disposal sites.

Surface Pipelines shall not be allowed without site specific authorization from BIA. The Pipeline ROW for surface pipelines will not be bladed or cleared of vegetation without authorization of the BIA. All pipelines in the floodplain will be buried pipelines. Where pipelines do not parallel roads but cross country between stations, they shall be welded in place at well sites or on access roads and pulled into place with suitable equipment. Vehicles shall not use pipeline ROWs as access roads unless specifically authorized by BIA.

Buried pipelines shall be buried a minimum of 3 feet below the soil surface. After construction is completed the disturbed area shall be contoured to blend into the natural landscape and be reseeded between September 15 and November 1 of the year following construction with perennial vegetation seed mixture provided by the BIA or Ute Tribe.

Before the site is abandoned, El Paso will be required to restore the well site and ROWs to near their original state. The disturbed areas will be reseeded with desirable perennial vegetation.

Reseed all disturbed areas to mitigate soil erosion.

Some Floodplain Stipulations have been incorporated into the APD. This is a complete list of them from the Site Specific EA with some comments in parenthesis.

El Paso will strictly follow the procedures approved for down hole drilling operations.

El Paso's Construction activities will be monitored by Tribal Technicians and BIA.

El Paso will not conduct drilling operations or construction activities in the 100 year floodplains during seasonal high water conditions. (See APD statement regarding this for further details.)

El Paso will design and construct well pads and roads so as not to impede surface water flow or interfere with fish movements during high water seasons. Also locations shall have drainage designed and installed to allow for natural flow movement of receding floodwaters. The tundra pad, and gravel base will be installed across floodplain areas for well pads and well locations and removed by El Paso or El Paso's subcontractors prior to seasonal high water conditions. (This applies to the portion of the project in the floodplain. The APD regards the pad and some of the access as outside the floodplain on this Ouray 3-75 well. These portions outside the floodplain may be graveled and exempted from gravel removal or tundra pad installation and subsequent removal requirements upon consultation with BIA.)

El Paso will periodically pressure test all buried pipelines which cross floodplain habitat to ensure that the buried pipelines are free of leaks and are in good condition.

If the river channel moves within 100 feet of the well head, then El Paso shall shut the well in and plug it immediately unless geologic or hydro-morphology survey determines that the well head is not of risk for damage from the river.

El Paso shall conduct production sampling and report quarterly gas production.

The El Paso Floodplain Wells shall have a dual pipeline system consisting of a flowline and a pressure relief line. The installation of the pipeline system for each of these wells is limited to a one time excavation.

All El Paso central tank batteries must be constructed outside of the flood plain.

El Paso shall build and maintain well pads and roads at natural ground level. (This applies to the portion of the project in the floodplain.)

El Paso will elevate above ground well heads and will use telemetry to control flow and shut down of production in emergency situations.

El Paso will conduct or have subcontractors conduct routine monitoring of soil and water quality for contamination.

El Paso will maintain daily surveillance of the production operations through the use of Electronic flow meters.



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

July 2, 2002

El Paso Production Oil & Gas Company
P O Box 1148
Vernal, UT 84078

Re: OURAY 3-75 Well, 2280' FNL, 800' FEL, SE NE, Sec. 3, T. 9 South, R. 21 East,
Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-34424.

Sincerely,

John R. Baza
Associate Director

pb

Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: El Paso Production Oil & Gas Company
Well Name & Number OURAY 3-75
API Number: 43-047-34424
Lease: 14-20-H62-3018

Location: SE NE Sec. 3 T. 9 South R. 21 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

UNITED STATES GOVERNMENT

memorandum

Branch of Real Estate Services
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to
Attn of: Supervisory Petroleum Engineer

Subject: Modification of Utah Division of Oil, Gas and Mining Regulations

To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval of Change of Operator where Indian leases are involved.

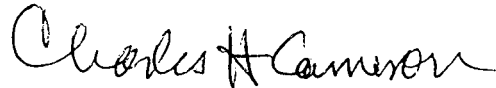
We have no objection.

With further comment to Rulemaking, I wish to comment concerning the provision of Exhibits for upcoming Hearings. I would like to see the Uintah & Ouray Agency, BIA, and the Ute Indian Tribe, Energy & Mineral Resources Department added to the list of those parties that receive advance Exhibits so as to allow us to have research time prior to Hearing dates. We will be able to provide a more informed recommendation to the Oil, Gas and Mining Board. It would be best if we would receive only those Exhibits that concern Indian lands, specifically on or adjacent to Indian lands. This may be a difficult situation to attain, as it is not always clear where 'on or adjacent' occurs.

I am aware that you have gone to extra effort to correct this matter already, and I fully appreciate it. My request is intended only to allow the addition of Uintah & Ouray Agency and Ute Indian Tribe to the official listing.

We appreciate your concern, and hope that these comments are timely enough for consideration in the revision process.

CC: Minerals & Mining Section of RES
Ute Energy & Mineral Resources Department: Executive Director
chronos





United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Washington, D.C. 20240

FEB 10 2003

IN REPLY REFER TO:
Real Estate Services

Carroll A. Wilson
Principal Landman
Westport Oil and Gas Company, L.P.
1368 South 1200 East
Vernal, Utah 84078

Dear Mr. Wilson:

This is in response to your request for approval of RLI Insurance Company's Nationwide Oil and Gas Lease Bond No. RLB0005239 executed effective December 17, 2002, (\$150,000 coverage) with Westport Oil and Gas Company, L. P., as principal.

This bond is hereby approved as of the date of this correspondence and will be retained in the Bureau of Indian Affairs' Division of Real Estate Services, 1849 C Street, NW, MS-4512-MIB, Washington, D.C. 20240. All Bureau oil and gas regional offices and the surety are being informed of this action.

In cases where you have existing individual and/or collective bonds on file with one or more of our regional offices, you may now request those offices, directly, to terminate in lieu of coverage under this Nationwide Bond.

Enclosed is a copy of the approved bond for your files. If we may be of further assistance in this matter, please advise.

Sincerely,

Director, Office of Trust Responsibilities

ACTING

Enclosure

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

Exhibit "A"

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☐

OTHER

2. NAME OF OPERATOR:

El Paso Production Oil & Gas Company

3. ADDRESS OF OPERATOR:

9 Greenway Plaza

Houston

STATE TX

ZIP 77064-0995

PHONE NUMBER:

(832) 676-5933

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:

☐ SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:

TYPE OF ACTION

☐ ACIDIZE

☐ ALTER CASING

☐ CASING REPAIR

☐ CHANGE TO PREVIOUS PLANS

☐ CHANGE TUBING

☐ CHANGE WELL NAME

☐ CHANGE WELL STATUS

☐ COMMINGLE PRODUCING FORMATIONS

☐ CONVERT WELL TYPE

☐ DEEPEN

☐ FRACTURE TREAT

☐ NEW CONSTRUCTION

☒ OPERATOR CHANGE

☐ PLUG AND ABANDON

☐ PLUG BACK

☐ PRODUCTION (START/RESUME)

☐ RECLAMATION OF WELL SITE

☐ RECOMPLETE - DIFFERENT FORMATION

☐ REPERFORATE CURRENT FORMATION

☐ SIDETRACK TO REPAIR WELL

☐ TEMPORARILY ABANDON

☐ TUBING REPAIR

☐ VENT OR FLARE

☐ WATER DISPOSAL

☐ WATER SHUT-OFF

☐ OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

BOND #

State Surety Bond No. RLB0005236

Fee Bond No. RLB0005238

EL PASO PRODUCTION OIL & GAS COMPANY

By:

Jon R. Nelsen, Attorney-in-Fact

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

WESTPORT OIL AND GAS COMPANY, L.P.

NAME (PLEASE PRINT)

David R. Dix

TITLE

Agent and Attorney-in-Fact

SIGNATURE

DATE

12/17/02

(This space for State use only)

Form 3160-5
(August 1999)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY, L.P.

3a. Address

P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED EXHIBIT "A"

5. Lease Serial No.

SEE ATTACHED EXHIBIT "A"

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

SEE ATTACHED EXHIBIT "A"

9. API Well No.

SEE ATTACHED EXHIBIT "A"

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ OtherSUCCESSOR OF
OPERATOR

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompletable horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zone Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed if testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator determined that the site is ready for final inspection.

WESTPORT OIL & GAS COMPANY, L.P., IS CONSIDERED TO BE THE OPERATOR ON THE ATTACHED DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF, BOND COVERAGE FOR THIS WELL IS PROVIDED BY FEDERAL NATIONWIDE BOND NO. 158626364, EFFECTIVE FEBRUARY 1, 2002, AND BIA NATIONWIDE BOND NO. RLB0005239, EFFECTIVE FEBRUARY 10, 2003.

RECEIVED

MAR 04 2003

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

CHERYL CAMERON

Title

OPERATIONS

Date

March 4, 2003

Approved by

THIS SPACE FOR FEDERAL OR STATE USE

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

OPERATOR CHANGE WORKSHEET

007

ROUTING

1. GLH

2. CDW

3. FILE

X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: 12-17-02

FROM: (Old Operator):	TO: (New Operator):
EL PASO PRODUCTION OIL & GAS COMPANY	WESTPORT OIL & GAS COMPANY LP
Address: 9 GREENWAY PLAZA	Address: P O BOX 1148
HOUSTON, TX 77064-0995	VERNAL, UT 84078
Phone: 1-(832)-676-5933	Phone: 1-(435)-781-7023
Account No. N1845	Account No. N2115

CA No.

Unit:

WELL(S)

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
TRIBAL 1-205	02-09S-21E	43-047-34524	99999	INDIAN	GW	APD
TRIBAL 2-206	02-09S-21E	43-047-34478	13541	INDIAN	GW	P
TRIBAL 2-207	02-09S-21E	43-047-34569	99999	INDIAN	GW	APD
TRIBAL 2-102	02-09S-21E	43-047-33379	13023	INDIAN	GW	P
TRIBAL 2 50	02-09S-21E	43-047-32698	11868	INDIAN	GW	P
ANKERPONT 2-6	02-09S-21E	43-047-30572	75	INDIAN	GW	P
PAWWINNEE ETAL 3-10	03-09S-21E	43-047-30662	85	INDIAN	GW	P
SHOYO 37	03-09S-21E	43-047-32535	11714	INDIAN	GW	PA
SHOYO 37 37A	03-09S-21E	43-047-32655	11737	INDIAN	GW	S
SHOYO 3-59	03-09S-21E	43-047-33277	12553	INDIAN	GW	P
SHOYO 3-162	03-09S-21E	43-047-33868	13242	INDIAN	GW	P
PAWWINNEE 3-181	03-09S-21E	43-047-34019	13283	INDIAN	GW	P
OURAY 3-74	03-09S-21E	43-047-33278	99999	INDIAN	GW	APD
OURAY 3-75	03-09S-21E	43-047-34424	99999	INDIAN	GW	APD
SERAWOP 4-13	04-09S-21E	43-047-30663	191	INDIAN	GW	P
SERAWOP 4-46	04-09S-21E	43-047-33504	99999	INDIAN	GW	APD
SERAWOP 4-103	04-09S-21E	43-047-33376	99999	INDIAN	GW	APD
BLUE FEATHER 4-30 (CR-84C721)	04-09S-21E	43-047-31000	190	INDIAN	GW	P
SANTIO 4-191	04-09S-21E	43-047-34048	99999	INDIAN	GW	APD
CESSPOOCH ETAL 5 14 (CR-4)	05-09S-21E	43-047-30675	90	FEDERAL	GW	P

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/28/2003
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/04/2003
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/06/2003
- Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- If **NO**, the operator was contacted on: _____

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM-12/31/2003 BIA-12/5/02

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 02/27/2003

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: 01/09/2003

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 03/26/2003
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/26/2003
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: RLB 0005236

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: 158626364

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: RLB 0005239

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB 0005238
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**5. Lease Serial No.
1420H6230186. If Indian, Allottee or Tribe Name
UINTAH AND OURAY7. If Unit or CA/Agreement, Name and/or No.
UTU588778. Well Name and No.
OURAY 3-759. API Well No.
43-047-34424-00-X110. Field and Pool, or Exploratory
OURAY11. County or Parish, and State
UINTAH COUNTY, UT

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

EL PASO PROD OIL & GAS CO

Contact:

DEBRA DOMENICI

E-Mail: ddomenici@westportresourcescorp.com

3a. Address

P.O. BOX 1148
VERNAL, UT 84078

3b. Phone No. (include area code)

Ph: 435.781.7060

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 3 T9S R21E SENE 2280FNL 800FEL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

THE OPERATOR REQUESTS THAT THE APD BE EXTENDED FOR AN ADDITIONAL YEAR SO THAT DRILLING OPERATIONS MAY BE COMPLETED.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #23324 verified by the BLM Well Information System**For EL PASO PROD OIL & GAS CO, sent to the Vernal****Committed to AFMSS for processing by LESLIE WALKER on 06/23/2003 (03LW1813SE)**

Name (Printed/Typed) DEBRA DOMENICI

Title ADMINISTRATIVE ASSISTANT

Signature (Electronic Submission)

Date 06/17/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USEApproved By KIRK FLEETWOODTitle PETROLEUM ENGINEERDate 06/24/2003

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office Vernal

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Revisions to Operator-Submitted EC Data for Sundry Notice #23324

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	OTHER NOI	APDCH NOI
Lease:	14-20-H62-3018	1420H623018
Agreement:	CA-9C-186	UTU58877
Operator:	WESTPORT RESOURCES CORP. 1368 S 1200 E VERNAL, UT 84078 Ph: 435.781.7060	EL PASO PROD OIL & GAS CO P.O. BOX 1148 VERNAL, UT 84078 Ph: 435 789 4433 Fx: 435 789 4436
Admin Contact:	DEBRA DOMENICI ADMINISTRATIVE ASSISTANT E-Mail: ddomenici@westportresourcescorp.com Ph: 435.781.7060	DEBRA DOMENICI ADMINISTRATIVE ASSISTANT E-Mail: ddomenici@westportresourcescorp.com Ph: 435.781.7060
Tech Contact:		
Location:		
State:	UT	UT
County:	UINTAH	UINTAH
Field/Pool:	NATURAL BUTTES	OURAY
Well/Facility:	OURAY 3-75 Sec 3 T9S R21E SENE 2280FNL 800FEL	OURAY 3-75 Sec 3 T9S R21E SENE 2280FNL 800FEL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**5. Lease Serial No.
14-20-H62-30186. If Indian, Allottee or Tribe Name
UTE7. If Unit or CA/Agreement, Name and/or No.
CA-9C-1868. Well Name and No.
OURAY 3-759. API Well No.
43-047-3442410. Field and Pool, or Exploratory
NATURAL BUTTES11. County or Parish, and State
UINTAH COUNTY, UT

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
WESTPORT RESOURCES CORP.Contact: DEBRA DOMENICI
E-Mail: ddomenici@westportresourcescorp.com3a. Address
1368 S 1200 E
VERNAL, UT 840783b. Phone No. (include area code)
Ph: 435.781.70604. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 3 T9S R21E SENE 2280FNL 800FEL**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

THE OPERATOR REQUESTS THAT THE APD BE EXTENDED FOR AN ADDITIONAL YEAR SO THAT DRILLING OPERATIONS MAY BE COMPLETED.

**Approved by the
Utah Division of
Oil, Gas and Mining**Date: 06-30-03
By: [Signature]**RECEIVED**

JUN 26 2003

DIV. OF OIL, GAS & MINING

COPY SENT TO OPERATOR
Date: 02-01-03
Initials: CNO

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #23324 verified by the BLM Well Information System
For WESTPORT RESOURCES CORP., sent to the Vernal

Name (Printed/Typed) DEBRA DOMENICI

Title ADMINISTRATIVE ASSISTANT

Signature

(Electronic Submission)

Date 06/17/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****



CONFIDENTIAL

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-34424
Well Name: OURAY 3-75
Location: NATURAL BUTTES
Company Permit Issued to: WESTPORT OIL & GAS CO., L.P.
Date Original Permit Issued: 7/2/02

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

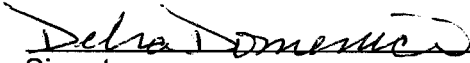
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

6/17/2003

Date

Title: ADMINISTRATIVE ASSISTANT

Representing: WESTPORT OIL & GAS CO., L.P.



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

July 22, 2004

Sheila Upchego
Westport Resources Corp.
1368 South 1200 East
Vernal UT 84078

Re: APD Rescinded – Ouray 3-75, Sec. 3, T. 9S, R. 21E Uintah County, Utah
API No. 43-047-34424

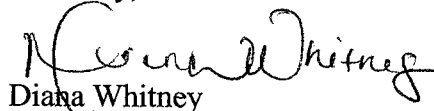
Dear Ms. Upchego:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on July 2, 2002. On July 30, 2003, the Division granted a one-year APD extension. On July 22, 2004, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective July 22, 2004.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Whitney
Engineering Technician

cc: Well File
Bureau of Land Management, Vernal



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

Vernal Field Office
170 South 500 East
Vernal, UT 84078
(435) 781-4400 Fax: (435) 781-4410
<http://www.blm.gov/utah/vernal>



IN REPLY REFER TO:

3160
UT08300

August 19, 2004

Sheila Upchego
Westport Oil & Gas Co.
1368 South 1200 East
Vernal, UT 84078

43.047.34424
Re: Notification of Expiration
Well No. Ouray 3-75
SENE, Sec. 3, T9S, R21E
Uintah County, Utah
Lease No. 14-20-H62-3018
CA No. 9C-186

Dear Ms. Upchego:

The Application for Permit to Drill the above-referenced well was approved on June 28, 2002. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until June 28, 2004. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Leslie Walker

Leslie Walker
Legal Instruments Examiner

cc: UDOGM
BIA

RECEIVED
AUG 23 2004
DIV. OF OIL, GAS & MINING